



EXHIBIT 1-A

**DRAFT MINUTES
Technical Advisory Committee of the
Monterey Peninsula Water Management District
February 7, 2012**

Call to Order

The meeting was called to order at 9:40 a.m. in the District Conference room.

Committee Members Present

City of Del Rey Oaks	Daniel Dawson
City of Monterey	Todd Bennett, Vice Chair
City of Pacific Grove	Sarah Hardgrave, Chair
City of Sand City	Steve Matarazzo
City of Seaside	Rick Riedl
County of Monterey	Jennifer Bodensteiner

Committee Members Absent:

Monterey Peninsula	
Airport District	Thomas Greer
City of Carmel	Sean Conroy

District Staff Members Present:

David J. Stoldt, General Manager
Stephanie Pintar, Water Demand Manager
Arlene Tavani, Executive Assistant

District Counsel Present:

David Laredo

Comments from the Public:

No comments.

Action Items

- 1. Elect Committee Chairperson and Vice Chairperson for 2012**
On a motion of Matarazzo and second by Riedl, Sarah Hardgrave was elected to the position of Committee Chair and Todd Bennett to the office of Vice Chair, for a two-year term. The motion was approved unanimously on a vote of 6 – 0. Greer and Conroy were absent.
- 2. Adopt Minutes of August 2, 2011 Committee Meeting**
On a motion of Dawson and second by Bennett, the minutes were approved on a unanimous vote of 6 – 0. Greer and Conroy were absent.

Discussion Items

- 3. Discuss Meeting Schedule for 2012**
There was consensus that until the committee makes a decision on setting a new meeting schedule, the monthly meeting schedule should be maintained and that a cancellation notice be

sent out if there is no need to meet. At the next committee meeting, action should be taken regarding a meeting schedule. District staff should present a potential meeting schedule, based on the anticipated dates for review of draft ordinances.

4. Discuss Concept of Alternative User Fee Collection Mechanism

Stoldt reviewed the need for an alternative user fee collection mechanism, and the proposals for revenue collection. He responded to questions from the committee. The committee requested that he provide a progress report at the next meeting.

5. Discuss Water Permit Requirement for Sites Where Parties and Other Public/Private Events are Held without Benefit of Zoning or Permits

Pintar presented a PowerPoint that summarized this issue (on file at the District office and on the District's website), and she responded to questions. Committee members reported that short-term rentals were not allowed in some jurisdictions, while others had policies related to permitting residential and commercial spaces for parties and events. District staff was asked to forward to the committee four questions outlined in the PowerPoint. The responses should be returned to Pintar, in order to facilitate discussion at a future meeting.

6. Discuss Formation of Public Authority Stakeholder Group to Develop Water Rationing Plan

Pintar reviewed this issue and responded to questions. The stakeholder group's task would be to review the existing water rationing plan and determine if changes are needed as it applies to public authority use. Recommended amendments to the plan would be forwarded to the Policy Advisory Committee for review. Laredo stated that meetings of this group would require public notice, as membership would consist of the TAC and eleven other public authority entities.

Oral Reports

7. Update on Cease and Desist Order, Water Supply and Other Action by Public Utility Commission

Cease and Desist Order -- Laredo reported that due to questions regarding the status of the Regional Water Project, the matter was neither set for trial, nor had a briefing schedule been developed. All parties were scheduled to participate in a strategy session in February, and mediation dates were scheduled with Judge Silver for March and April. A case management conference was set for May. The State Water Resources Control Board (SWRCB) had expressed concerns about continuance of the District's mitigation program, due to the reduction in funding for that program caused by the loss of the user fee, and the uncertainty of the Proposition 218 user fee proposed by the District. The Sierra Club has said it will not enter into a settlement if the user fee is at risk.

Water Supply – Stoldt advised the committee that the California Public Utilities Commission (CPUC) requested that California American Water (Cal-Am) submit a water supply project proposal within 90 days. There has been no confirmation from Cal-Am; however, it is expected that the proposed project will be a Cal-Am owned and operated desalination plant utilizing slant wells, and they will assert that preparation of a supplemental EIR will be sufficient. Cal-Am has agreed in principle to include groundwater replenishment and aquifer storage and recovery as companion projects to desalination. The project will provide water to meet unlawful diversions, and could be enlarged to provide water for lots of record. There is a question as to whether or not the County of Monterey would rescind its requirement that a desalination project be publicly owned. Development of a publicly owned project would significantly extend the project completion date. Cal-Am will likely propose that Marina Coast Water District and the County of Monterey be reimbursed for a portion of their expenditures related to the Regional Water Project.

- 8. Receive Report on Development of California American Water Commercial Rate Proposal**
Pintar presented a brief PowerPoint (on file at the District office and on the District's website) that described the commercial-user rate design that Cal-Am is developing and plans to submit to the CPUC in March 2012. The proposed rate design will be based, in part, on a user's compliance with Best Management Practices, which still need to be developed. A questionnaire was mailed to commercial users asking for information that Cal-Am will use for rate modeling purposes only. Pintar noted that the residential five-tier rate structure will remain in place, but the lowest tier rates may be increased
- 9. Review Water Permit Activity**
Pintar reported that she would provide each jurisdiction with a summary of water permit activity that will include the number of permits issued, and the amount of water debited from each jurisdiction's allocation.

Adjourn

The meeting was adjourned at 11 am.